

## **INTERNATIONAL BUSINESS NEWS – MAY 2005**

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### **THE U.S. COMMERCIAL SERVICE** **IS CELEBRATING ITS 25TH ANNIVERSARY** **1980 - 2005**

On April 1, 1980, the U.S. State Department transferred all commercial activities to the U.S. Department of Commerce, creating the Foreign Commercial Service (FCS). A year later, in 1981, domestic offices were added to FCS, creating the U.S. & Foreign Commercial Service. Today, U.S. & F.C.S., otherwise referred to as the **U.S. Commercial Service (CS)**, has a network of 107 U.S. Export Assistance Centers throughout the country and more than 150 offices overseas. In 2004, CS facilitated over \$23 billion in U.S. exports and conducted nearly 150,000 counseling sessions with American companies. Exports increase American jobs, and companies that export pay higher wages than those that do not. The U.S. Commercial Service has played and will continue to play a vital role in the growth of U.S. exports.

### **\$100 OFF ON YOUR NEXT AD** **IN COMMERCIAL NEWS USA**

Commercial News USA, the official U. S. Department of Commerce showcase for American-made products and services, is offering \$100 off on advertisements placed in the next issue of Commercial News USA. The catalog-style magazine is designed to help American companies promote products and services to buyers in more than 145 countries--at a fraction of the cost of other advertising options. Each issue reaches an estimated 400,000 readers worldwide. Advertisers in Commercial News USA have the potential to increase export sales with a minimal investment. The magazine is mailed directly to qualified foreign recipients and distributed by U.S. Commercial Service personnel at U.S. embassies and consulates worldwide. Click here for information on CNUSA: <http://www.thinkglobal.us/index.html> Act now; **deadline is May 6, 2005**. Click here for the promotional \$100 coupon: [http://www.thinkglobal.us/buck\\_coupon.html](http://www.thinkglobal.us/buck_coupon.html)

### **WHAT IS CAFTA-DR?**

The Central American-Dominican Republic Free Trade Agreement (CAFTA-DR) is set to open doors for U.S. companies. CAFTA-DR is a trade agreement among the United States, Costa Rica, the Dominican Republic, El Salvador, Guatemala, Honduras and Nicaragua. Although CAFTA-DR is awaiting approval and implementation, U.S. companies should be ready to explore this dynamic market.

With a population of 44 million and just a short flight from Miami or Houston, the CAFTA-DR countries are natural trading partners for U.S. firms. The CAFTA-DR will provide greater market access for U.S. consumer, industrial and agricultural products.

More than 80 percent of U.S. exports of consumer and industrial goods will become duty-free in Central America and the Dominican Republic immediately, with remaining tariffs phased out over 10 years. Key U.S. exports, such as information technology products, agricultural and construction equipment, paper products, chemicals, and medical and scientific equipment will gain immediate duty-free access to the region.

Among the other benefits are:

- Access to important government procurement and services markets
- Increased transparency in doing business
- Strict intellectual property provisions
- Efficient customs procedures

Best Prospects for U.S. Exporters

Construction Equipment and Building Supplies.  
Information Technology Products  
Medical Equipment and Supplies  
Industrial Machinery  
Environmental Technologies  
Electrical Power Generation And Distribution  
Equipment  
Automotive Parts And Services Equipment

Franchising.

Services: Demand for U.S. services providers is increasing across a variety of sectors, including tourism, healthcare, business-advisory and professional services, and information technologies. U.S. financial services will also receive a boost from CAFTA.

For more information, visit [www.export.gov/cafta](http://www.export.gov/cafta)

## **EX-IM BANK ANNOUNCES PROGRAM CHANGES IN ARMENIA, CHAD, GHANA, MACEDONIA AND PAKISTAN**

The Export-Import Bank of the United States (Ex-Im Bank) has adopted changes to its cover policy in Armenia, Chad, Ghana, Macedonia and Pakistan, effective March 24, 2005, based on risk rating changes made by the U.S. Interagency Country Risk Assessment System (ICRAS).

The cover policy adjustments are:

Armenia: Ex-Im Bank has opened for short- and medium-term programs in the public sector.

Chad: Ex-Im Bank has opened for short- and medium-term programs in both the public and private sectors.  
Ghana: Ex-Im Bank has opened for long-term private sector programs.

Macedonia: Ex-Im Bank has opened for long-term programs in both the public and private sectors.

Pakistan: Ex-Im Bank has opened for short- and medium-term programs in the private sector.  
For further information on Ex-Im Bank programs in these and other countries, visit Ex-Im Bank's web site at [www.exim.gov](http://www.exim.gov) and click on "Country Limitation Schedule" on the home page under Ex-Im Bank's Markets.

## **AMERICAN NATIONAL STANDARDS INSTITUTE ANSI**

ANSI was founded in 1918 and stands for American National Standards Institute. It is a federation of members representing academia, individuals, government, manufacturing, standards developers, etc. ANSI is NOT a government agency or a standards developer. ANSI does facilitate US standardization policy development and develops and promotes global standardization policies. ANSI is the bridge between industry and government.

Roles and Responsibilities:

- accredits US Standards Developers (such as UL and ASTM), US Technical Advisory Groups and conformity assessment bodies
- approves American National Standards
- ensures integrity of the US voluntary consensus standards system
- offers a neutral policy forum
- represents the US at the ISO

Again - ANSI does not write standards but accredits standards developers.

Standards developers do not have to become a member of ANSI.

NIST is a member of ANSI.

## **EU LAUNCHES ON-LINE CONSULTATION ON ORIGIN MARKING**

The European Commission has launched an on-line consultation exercise into the possible development of an EU regulation on origin marking. The consultation asks both European consumers and producers to comment on current practice for marking the origin of products imported into the EU. Do they find existing systems adequate or are they misleading in any way? Do they make product choices on the basis of information on product origin?

Since last year the Commission has explored the potential advantages to introducing such a system of product identification. The initiative would cover some industrial products, particularly in the clothing, footwear and ceramics sectors.

Such a regulation would impose a compulsory mark indicating the name of the country of origin for certain products imported into the European Union.

An origin marking scheme would allow consumers to be aware of the country of origin of the products they purchase. This would allow consumers to identify products with the social, environmental and safety standards associated with that country. This kind of information is a crucial part of a fair trade environment.

Origin marking of imports could also help reduce product fraud, a serious problem for European producers who rely on their reputation for high-quality branded textiles, clothing, footwear, leather goods and ceramics. Better and more reliable product marking could contribute to the competitiveness of these European industries by safeguarding their identity.

Participating on this consultation and submission of comments and views are possible via the Your Voice in Europe website:

<http://europa.eu.int/yourvoice/forms/dispatch?form=401&lang=EN>

## **EUROPEAN UNION DIRECTIVES ON ELECTRICAL AND ELECTRONIC PRODUCTS**

As of August 2005, companies selling a broad range of electrical goods in Europe will need to conform to WEEE (Waste Electrical and Electronic Equipment Directive) while as of July 2006, those same companies will also need to conform to RoHS (Restriction of Use of certain Hazardous Substances Directive Although implementation is only a few months away, some key issues have not been resolved.)

WEEE Directive sets out in Annex 1A a list of ten product categories i.e.:

1. Large household appliances (refrigerators, washing machines, microwaves, air conditioners)
2. Small household appliances (vacuum cleaners, toasters, coffee machines)
3. IT and Telecoms equipment (eg PCs, printers, cellular phones)
4. Consumer equipment (radios, TV, videos)

5. Lighting equipment
6. Electrical and electronic tools (saws, drills, sewing machines)
7. Toys, leisure and sports equipment (electric trains, video game)
8. Medical equipment (cardiology, dialysis)\*
9. Monitoring and control instruments (smoke detectors, heating regulators)\*
10. Automatic dispensers (for drinks).

For a copy of the report that outlines the status of implementation, the coverage of the Directives and producer requirements, and provides links to additional information resources, contact us at [little.rock.office.box@mail.doc.gov](mailto:little.rock.office.box@mail.doc.gov) or phone 501-324-5794, fax 501-324-7380.

#### **IMPORTANT –ALL WOOD PACKAGING MATERIALS ENTERING CHILE MUST BE TREATED:**

Starting June 1, 2005, Chile will implement new regulations regarding imports of wood packaging materials. All wooden materials including pallets and other wood packaging materials will have to be treated with a special fumigation and require a specific mark to be allowed into Chile. For a copy of the 17-page guide, please contact the Arkansas USEAC at [little.rock.office.box@mail.doc.gov](mailto:little.rock.office.box@mail.doc.gov), Phone 501-324-5794, Fax 501-324-7380.

#### **CONSIDER QATAR**

Qatar may look small, but in commercial terms it is a rising giant. This Persian Gulf Emirate is just larger than Connecticut and its population is less than 1 million, but its reform-minded government has ambitious plans to transform this peninsula into an international hub for tourism, finance, and education. U.S. companies interested in international opportunities should consider current trends and future projects in Qatar. Consider this: (1) Qatar has the third largest reserves of natural gas in the world, (2) Qatar's per capita GDP is one of the highest in the world at around \$30,000, (3) Multi-billion dollar projects in numerous sectors are planned for the coming years, (4) There is a pro-American business climate and strong U.S.-Qatar relations, and (5) Qatar has business-friendly commercial procedures and political stability. The U.S. Commercial Service has recently published a guide entitled "**Consider Qatar**." This guide offers your company the advice, insight, and lessons learned from over 50 U.S. and Qatari business leaders throughout Qatar's vibrant business community. To receive a copy, contact this office at [little.rock.office.box@mail.doc.gov](mailto:little.rock.office.box@mail.doc.gov), Phone 501-324-5794, or fax 7380.

#### **2004 USTR SPECIAL 301 REPORTS RELEASED**

Every year, the United States Trade Representative issues a report concerning intellectual property protection in 85 different countries. The Special 301 report addresses significant concerns with respect to such trading partners as Argentina, The Bahamas, Brazil, Egypt, India, Indonesia, Israel, Korea, Kuwait,

Lebanon, Pakistan, Paraguay, The Philippines, Poland, Russia, Taiwan, Thailand, and Turkey. In addition, the report notes that the United States will consider all options, including but not limited to initiation of dispute settlement consultations, in cases where countries do not appear to have implemented fully their obligations under the WTO Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement). The full text of the agreement is available at the USTR's website at: [http://www.ustr.gov/assets/Document\\_Library/Reports\\_Publications/2004/2004\\_Special\\_301/asset\\_upload\\_file\\_16\\_5995.pdf](http://www.ustr.gov/assets/Document_Library/Reports_Publications/2004/2004_Special_301/asset_upload_file_16_5995.pdf)

#### **THE BYRD AMENDMENT**

The European Commission is proposing an additional duty of 15% as of May 1, 2005 on a range of products including paper, agricultural, textile and machinery products. The proposed regulation will be discussed by the Member States and voted on by the European Council during the course of April, with an anticipated effective date of May 1 for the sanctions to take effect.

The level of retaliation is \$28 million in U.S. exports. According to the Commission, this level will be revised annually to adjust to the level of damage caused to EU companies by the Byrd Amendment.

Eight WTO members (Brazil, Canada, Chile, the EU, India, Japan, Korea and Mexico) were authorized at the end of 2004 to apply retaliatory sanctions. Canada announced similar action to the EU.

The U.S. is committed to trade policies that ensure a level playing field for American workers and farmers and the maintenance of a strong multilateral trading system through the WTO. The U.S. is seeking to comply with this WTO panel decision and the administration is working closely with Congress to do so in a way that supports American jobs and American workers.

For a complete report, which includes the list of products on which the 15% additional duty would apply, contact the Arkansas USEAC at [little.rock.office.box@mail.doc.gov](mailto:little.rock.office.box@mail.doc.gov), Phone 501-324-5794, Fax 7380.

#### **BRITISH AMERICAN BUSINESS 2005 PUBLICATION AVAILABLE**

Published by British American Business Inc., "**British American Business 2005**" is an annual publication, produced in the form of a guide for US companies looking for opportunities to do business in the UK. The Arkansas USEAC has 14 complimentary copies of this 152-page book available. To order your free copy, contact us at [little.rock.office.box@mail.doc.gov](mailto:little.rock.office.box@mail.doc.gov) or phone 501-324-5794, fax 7380.

## **NEW AGRIBUSINESS E-MARKET EXPRESS NEWSLETTER**

In an effort to assist U.S. firms in the agribusiness industry to increase their export sales, the U.S. Department of Commerce/Commercial Service Agribusiness Team has created the on-line "Agribusiness e-Market Express." The Agribusiness e-Market Express bulletin has just been updated with reports received in the last two months from our overseas agribusiness industry specialists working in our Commercial Sections & Foreign Agricultural Service of the American Embassies and Consulates. Agribusiness includes the following industries: agricultural machinery & chemicals, food processing & packaging equipment (including hotel & restaurant equipment and refrigeration equipment), processed foods & food ingredients, and pet foods & supplies. Click on the link below to view and select the reports of interest to you. The requested information will be sent to you via email.

<http://www.buyusa.gov/eme/agribusiness.html>

## **WESTERN HEMISPHERE TRAVEL INITIATIVE**

The Western Hemisphere Travel Initiative will require all travelers to and from the Americas, the Caribbean, and Bermuda to have a passport or other secure, accepted form of documentation to enter or re-enter the United States. This is a change from prior travel requirements.

The Travel Initiative will affect all United States citizens traveling within the Western Hemisphere who do not currently possess valid passports. It will also affect certain foreign nationals who currently are not required to present a passport to travel to the United States namely most Canadian citizens, citizens of the British Overseas Territory of Bermuda, and Mexican citizens.

The proposed phased-in timeline is as follows:

- December 31, 2005 - Apply the requirement to all travel (air/sea) to or from the Caribbean, Bermuda, Central and South America.
- December 31, 2006 - Apply the requirement to all air and sea travel to or from Mexico and Canada.
- December 31, 2007 - Apply the requirement to all air, sea and land border crossings.

For more information, United States citizens can visit the State Department's, [http://www.travel.state.gov/travel/cbpmc/cbpmc\\_2223.html](http://www.travel.state.gov/travel/cbpmc/cbpmc_2223.html) or call the National Passport Information Center: 1-877-4USA-PPT (1-877-487-2778); TDD/TTY: 1-888-874-7793.

## **USEFUL WEBSITES**

### **Have You Checked The Lists?**

Do you know your customer? Check the following lists before completing your export transaction.

- Denied Persons List
- Unverified List
- Entities List
- Nationals List
- Specially Designated Debarred List

The lists can be found at

<http://www.bis.doc.gov/ComplianceAndEnforcement/index.htm#LTC>

### **China Commodity Inspection Bureau:**

Detailed implementing rules to the regulations on the inspection of import and export commodities of the People's Republic Of China (Promulgated by the State Administration of Import and Export Commodity Inspection of the People's Republic of China on 1 June 1984)

[http://www.novexcn.com/inspect\\_imp\\_exp\\_commod.html](http://www.novexcn.com/inspect_imp_exp_commod.html)

### **Patents, Trade Marks and Copyrights for China**

Patents - State Intellectual Property Office - SIPO

[http://www.sipo.gov.cn/sipo\\_English/default.htm](http://www.sipo.gov.cn/sipo_English/default.htm)

[http://www.sipo.gov.cn/sipo\\_English/zlsq/default.htm](http://www.sipo.gov.cn/sipo_English/zlsq/default.htm)

Trademarks - State Administration on Industry and Commerce - SAIC

<http://www.saic.gov.cn>

Copyrights - National Copyright Administration – NCA

<http://www.ncac.gov.cn>

### **Time and Dates Around the World**

<http://www.timeanddate.com/worldclock/>

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